TOOLKIT 5 – PROVIDING LEADERSHIP
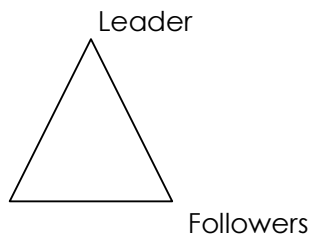
> ❖ **Produce results beyond expectations.**
>
> ❖ **Create a turned on team.**
>
> ❖ **Build a better business.**

The purpose of this toolkit is to help leaders to inspire their team in order to change and develop the business together.
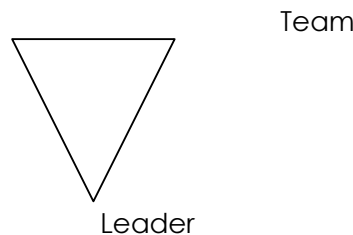
But first a few key principles.

1. The stance that really effective leaders take is that they are there to serve their people and not to be served themselves. This is so critical I am going to repeat it: **The stance that really effective leaders take is that they are there to serve their people and not to be served themselves**. They understand that abuse of position and a command and control culture cannot deliver results beyond expectations. You need to engage hearts and minds. Leaders invert the traditional business pyramid.

Traditional Business   *Leadership*

Leader   Team

Followers   Leader

In the traditional business model the followers wait for the leaders to be told what to do. This model relies on three or four leaders providing all the ideas i.e., leaders think, followers follow. This separation of thinking from working has proved to be highly inefficient.

In stark contrast the leadership model encourages everybody in the organisation to think and act on behalf of the business. The Japanese call this 'Kaizen' - continuous improvement by everybody all the time. If you are competing with a business in which 100 brains are constantly striving to improve the business and you are operating out of the traditional business model, you will have real problems keeping up with them.

This is a critical mind-shift for leaders to make. This toolkit will help you make the change.

2. Management and leadership are different roles:

- Managers make the business work effectively i.e., hitting agreed targets, achieving profit margins, delivery plans.

  Managers meet expectations.

- Leaders make the business better. They exceed expectations by engaging everybody to challenge and change it.

  Leaders produce results beyond expectations.

STORY – MARTIN VINCENT, COMPUADD COMPUTERS

Martin Vincent, the CEO of computer manufacturer CompuAdd, attended a presentation of the 'Providing leadership' toolkit in Bristol in 1995. His business had sales of £12m with a loss of £200k.

He knew he had to do something to improve the performance of his business, he also knew he needed to provide the leadership to make it happen.

Martin got his team together and together they established a vision using the 'Creating a vision for your business' toolkit. 'I am a typical accountant,' said Martin, 'So I didn't find leading the team in a creative visioning exercise a natural process, but the Vision toolkit helped because it gave me a framework.'

The vision involved becoming a £15m profitable business by creating long-term partnerships with large customers.

'We then did steps 2 and 3 in the toolkit together by identifying as a team the blockages to the delivery of the vision. This provided us with an excellent agenda for change. We all knew what we had to do.

'I followed the advice in the toolkit and lead a project myself on improving our deliveries on time. We had a really tough time, unfortunately two directors had to leave and morale was very up and down. I had to keep people going through these tough times. Part of our problem was people were frightened to try things and make mistakes because they were in fear of their own jobs. I found that I actually enjoyed being the leader encouraging, supporting and helping my people.'

Martin assigned each of the blockages as a 'project' to one of his directors or senior managers with a brief to remove them. He took the precaution of restructuring his board over a period of six months to improve competence and commitment. 'We had a dramatic success, and we have significantly improved our profits every year for the past three years.'

POSTSCRIPT:
Martin sold CompuAdd to a competitor in 1999 for a healthy profit.

3.   Be honest with your people.

The key marketing principle is giving your customers what they want. Numerous studies show that employees want their leaders to be:

1.   Honest – 'Tell it as it is – no spin …'
2.   Forward looking – 'What's the vision?'
3.   Inspirational – 'Motivate me to do my best.'
4.   Competent as leaders – 'They produced the promised results.'

So if that's what employees want, then following the marketing mantra, leaders should provide it.

Here's how to do it.

Step 1   Get your team together and develop an inspirational vision or common purpose (see toolkit 8). This should provide focus and direction for everyone in the business.

- Make sure there is something in the vision for employees, customers and investors.

  E.g., in 3 years time we will:

  - Have grown by 50% in sales
  - Developed three new products
  - Enabled all staff to share in our business
  - Produced returns to investors in the top 20% for our industry

TIP: Ask questions, get people contributing their ideas – they must not all be yours …

Step 2   Ask people to contribute ideas to how the vision can be achieved (see 'Working on the business' toolkit 7).

Develop a process to ensure a continuous flow of vision delivery ideas e.g.,

- Monthly brainstorming sessions

- Working on the business teams etc.

Step 3   Remove any blockages to the delivery of the vision.

One way of generating ideas which will help deliver the vision is to ask the questions:

- What's stopping us achieving our vision?

Or

- What do we have to get better at in order to deliver our vision?

E.g., Martin Vincent (story) needed to remove the blockages to delivering on time.

Step 4   Turn the best ideas that emerge from steps 2 and 3 into projects. Pick project leaders and agree objectives (WHAT).

E.g.,

1.   To set up a business generating system in order to get us into new markets by 31.3.2003.

2.   To design a system which we can run internally.

TIP: Make sure you lead one project yourself – this sends a powerful message 'We are in this together.'

Step 5   Get buy-in to the projects.

- Allow the project leaders to produce action plans for the projects (HOW). (See example Action Plan.)

EXAMPLE ACTION PLAN

OBJECTIVES

1. To set up a business generating system in order to get us into new markets by 31.3.2003.
2. To design a system which can be run internally.

PLAN

1. Set up a small internal team to develop the system including sales, production and customer service representatives by 1.2.2002.

2. Identify current conversion rates i.e., leads to enquiries to orders, in the key market sectors by 1.3.2002.

3. Analyse effectiveness of current marketing methods by 18.3.2002.

4. Establish average order size in key markets by 30.3.2002.

5. Calculate sales required monthly in each market sector by 6.4.2002.

6. Establish new business generating system to create required sales levels by 1.5.2002.

7. Pilot and test the system for 3 months by 1.8.2002.

8. Evaluate and roll out the system by 1.9.2002.

9. Train all staff to operate the new system by 1.10.2002.

- Support them, encourage them and give them ownership, responsibility and accountability.

TIP: Ask for one-page plans – this allows them to do the thinking but also allows you to sign them off and sleep easy in your bed.

Step 6   Create a climate of learning.

- Tell them you want them to make lots of mistakes.

- Tell them it's OK to experiment and try things.

- Celebrate failure, laugh at it and move on.

I.e., not like this example:

EXAMPLE

A CEO called me up one day and said he could not get his team to experiment, take risks and learn. I visited his operation and sat in on a typical day with him.

He delegated a project to a team member. He seemed to follow the classical delegation routine i.e., agree objectives, explain the project, make resources available, be supportive etc.

I could not understand why he had a problem with his team. Right at the end, as the individual stood up to leave, the CEO bellowed at him 'John don't screw it up…'!

Not a climate of learning …

Step 7   Help them to be persistent in adversity.

- Keep encouraging them to keep going, particularly when the going gets tough.

- Roll your sleeves up and lend a hand, but don't take over.

TIP: Order the pizza and drinks if the teams are working late. Show them how much you appreciate their efforts.

Step 8   Celebrate success.

- Do this loudly and publicly!